

9-Month Report 2007
UNIQA Versicherungen AG



The insurance of a new generation



Group Key Figures

	1-9/2007 € million	1-9/2006 € million	Change %
Total premiums written	3,933	3,806	+3.3
of which recurring premiums	3,483	3,313	+5.1
of which single premiums	450	493	-8.8
of which savings portion of premiums from unit- and index-linked life insurance	499	356	+40.4
Premiums earned by business line			
Property and casualty insurance	1,377	1,277	+7.8
Life insurance	981	1,140	-13.9
Health insurance	681	665	+2.5
Insurance benefits¹⁾			
Property and casualty insurance	923	849	+8.8
Life insurance	1,113	1,311	-15.1
Health insurance	609	593	+2.6
Total	2,645	2,753	-3.9
Operating expenses²⁾			
Property and casualty insurance	446	412	+8.1
Life insurance	236	190	+24.1
Health insurance	96	98	-1.7
Total	777	700	+11.1
Net investment income	747	638	+17.1
Investments	21,943	20,389	+7.6
Profit on ordinary activities	280	191	+46.3
Insured capital in life insurance	59,604	56,155	+6.1

¹⁾ Incl. expenditure for deferred profit participation and premium refunds.

²⁾ Incl. reinsurance commissions and profit shares from reinsurance business ceded.

Share key figures	1-9/2007 €	1-9/2006 €	Change %
UNIQA share price as at 30.9.	23.22	25.00	-7.1
High	28.10	29.86	
Low	21.10	22.35	
Market capitalisation as at 30.9. (€ million)	2,781	2,994	-7.1
Earnings per share	1.63	1.04	+55.8

Information on UNIQA shares

Securities abbreviation	UQA
Reuters	UNIQ.VI
Bloomberg	UQA.AV
ISIN	AT0000821103
Market segment	Prime Market, Vienna Stock Exchange
Trading segment	Official trading
Indices	ATXPrime, WBI, VÖNIX
No. of shares	119,777,808

Financial calendar 2008

Cheuvreux Investor Conference, Paris	10 January 2008
Preliminary Figures 2007	Week 4, 2008
Group Report 2007, Press Conference, Conference Call	25 April 2008
Annual General Meeting	19 May 2008
1st Quarterly Report 2008, Conference Call	30 May 2008
Ex Dividend Day, Dividend Payment Day	2 June 2008
2nd Quarterly Report 2008, Conference Call	29 August 2008
3rd Quarterly Report 2008, Conference Call	27 November 2008

- Profit before taxes increased by 46.3% to €280 million.
- Earnings per share up by 55.8% to €1.63.
- Strong growth in Eastern Europe – premiums plus 24.1%.
- Results forecast for 2007 increased to €340 million (pre-tax profit).

Economic environment

Economic growth in the Euro zone continued to be extremely dynamic in the 3rd quarter of 2007, despite the crisis on the international financial markets. Whilst the credit crunch caused a setback in September, domestic demand remained very robust overall. However, the export economy no longer made such a high contribution to growth, due to the strong euro. The European Central Bank left key interest rates unchanged at 4.0% in September, while the US Federal Reserve reduced its own by 50 basis points, in order to counteract any risks to growth.

In Eastern Europe, growth weakened only negligibly in Poland, the Czech Republic and Slovakia. Growth rates in all of these countries were above 5%. Growth in these countries is still driven primarily by very high domestic demand.

Financial accounting principles, scope of consolidation

The quarterly statement of the UNIQA Group was prepared in accordance with the International Accounting Standards as well as the International Financial Reporting Standards. This interim report has been prepared in accordance with IAS 34. The scope of the fully consolidated companies was not significantly expanded during the 3rd quarter of 2007.

UNIQA sets up property insurance business in Serbia

UNIQA is the first insurer on the Serbian market to have completed the separation of its activities, and set up its own company for property insurance. Due to a new legal regulation, life insurance and non-life insurance must be operated in separate companies. Following the successful founding, UNIQA has also been offering motor vehicle insurance in Serbia since the beginning of July. In addition to having its own sales team, agents and specialist agencies, UNIQA also cooperates with vehicle test centres in the sale of the new products. The sale and service network will be further expanded in the future.

EBRD supports expansion of UNIQA

The EBRD (European Bank for Reconstruction and Development) strengthened its successful cooperation with UNIQA, which has been in place since 1998, and increased the financing framework agreement with UNIQA from €70 million to €150 million. These funds will, in future, be available to minority participations in existing UNIQA subsidiaries in Central and Eastern Europe, as well as for any other acquisitions. As the first new project under this expanded framework agreement, the EBRD is taking over 20% of UNIQA Osiguranje, currently the fifth largest insurance company in Bosnia.

Premium volume written up by 3.3%

The premium volume written of the UNIQA Group (including the savings portion of the premiums from unit- and index-linked life insurance) rose in the first three quarters of 2007 by 3.3% to €3,933 million (not including significant consolidation effects). Whilst the single premiums decreased as planned by 8.8% to €450 million, premiums in the area of recurring premium products grew during the first nine months of 2007 by 5.1% to €3,483 million. The stronger weighting of the recurring premium business was in line with strategic objectives.

In Austria, premiums rose by 3.3% to €2,682 million, despite the growth-limiting effect of the life insurance business caused by expirations in the area of bank sales. The recurring premium business recorded an increase of 1.7% to €2,488 million on the Austrian

market in the first three quarters of 2007. Sales of single premium products rose by 28.6% to €194 million. Of this, the single premiums in the unit-linked life insurance increased as planned by 164.7%, whilst single premiums in classic life insurance decreased according to plan.

The growth of Group companies in Eastern Europe was also very strong in the 3rd quarter of 2007 – premiums rose by 24.1% to €579 million in the first nine months, thereby contributing 14.7% to the Group premiums (1–9/2006: 12.3%). The business volume in Western Europe was down by 9.5% to €672 million, due to the exceedingly strong life insurance business in Italy in the comparison period of the previous year. However, the recurring premium business grew by 5.8% to €514 million. Overall, the international portion of the business shifted further towards Eastern Europe, and amounted to 31.8% (1–9/2006: 31.8%) at the end of the 3rd quarter of 2007.

Including the net savings portions of the premiums from the unit- and index-linked life insurance to the value of €468 million, the premium volumes earned rose by 3.1% to €3,507 million. The premiums earned according to IFRS decreased in comparison with the same period in 2006 by 1.4% to €3,040 million.

Property and casualty insurance

The premium volume written in property and casualty insurance grew in the first three quarters of 2007 by 7.7% to €1,712 million. Whilst premiums in Austria grew by 2.9% to €1,012 million, they climbed in the growth regions of Eastern Europe by 22.5% to €386 million, thereby contributing 22.6% (1–9/2006: 19.8%) to the total premiums in property and casualty insurance. Very satisfactory premium growth of 8.1% to €313 million was also achieved in the Western European markets. The premium share of Western Europe at the end of the 3rd quarter amounted to 18.3% (1–9/2006: 18.2%). The foreign share after nine months of 2007 totalled 40.9% (1–9/2006: 38.1%).

Premiums earned in property and casualty insurance increased in the first three quarters of 2007 by 7.8% to €1,377 million.

Life insurance

The situation in the life insurance line developed quite positively in the 3rd quarter of 2007. Premiums in the area of recurring premium life insurance increased by 3.0% to €1,084 million in the first nine months of 2007. On the other hand, single premiums were taken back by 8.8% to €450 million. Single premiums in classic life insurance were taken back by 51.8% to €142 million, whilst single premiums in unit-linked life insurance rose by 54.6% to €308 million. Overall, the premium volume written (incl. the savings portion of premiums from unit- and index-linked life insurance) fell slightly by 0.8% to €1,534 million. The risk premium share of unit- and index-linked life insurance included in the premiums totalled €65 million (1–9/2006: €45 million).

In Austria, revenues from policies with recurring premium payments rose marginally in the first three quarters of 2007 by 0.1% to €929 million. Whilst classic single premium business fell by 34.0% to €68 million, single premium business in the area of unit-linked life insurance climbed by 164.7% to €126 million. Overall, life insurance premiums rose by 4.1% to €1,124 million. Unit-linked life insurance also grew overproportionally in the 3rd quarter of 2007, with premiums in this area rising by 49.6% to €355 million in the first nine months of 2007.

The recurring premium business in the Western European markets developed positively, with a premium increase of 6.8% to €64 million. However, the single premium business decreased in the first three quarters of 2007 by a calculated 38.5% to €157 million, and the special situation in Italy must be considered here. Thus, the overall premium volume in life insurance in Western Europe decreased by 29.9% to €222 million.

The development of life insurance business in Eastern and south-eastern Europe remained very pleasing. The UNIQA Group companies in these regions were able to increase premium volume in the first nine months of 2007 by 25.8% to €188 million. The share of premiums in Eastern Europe within the total Group life insurance premiums was, therefore, increased to 12.3% (1–9/2006: 9.7%).

The premiums earned according to IFRS stood at €981 million (–13.9%) at the end of the 3rd quarter of 2007. By comparison, the net savings portion of premiums from unit- and index-linked life insurance increased by 46.5% to €468 million. Overall, the premium volume earned in life insurance fell slightly by 0.7% to €1,449 million.

Health insurance

The premium volume written in health insurance rose in the 2007 reporting period by 2.3% to €687 million. In Austria, the premium volume grew by 2.3% to €546 million. Internationally, premiums rose by 2.5% to €141 million, contributing 20.5% to the Group's health insurance premiums (1–9/2006: 20.5%).

The earned premium income after nine months of 2007 stood at €681 million (+2.5%).

Insurance benefits down by 3.9%

After three quarters of 2007, the UNIQA Group's loss expenses and benefits paid were still below the value for the same period in 2006. The total amount of retained insurance benefits fell by 3.9% to €2,645 million.

Property and casualty insurance

The loss ratio in the property and casualty segment after reinsurance was 67.1% at the end of the 3rd quarter of 2007, which was slightly higher than the value for the previous year (1–9/2006: 66.5%), due to reserve-strengthening measures. Overall, insurance benefits in the reporting period rose by 8.8% to €923 million.

The combined ratio after reinsurance improved slightly in the 3rd quarter of 2007 compared to the 1st half of 2007, to stand at 99.4% (1–6/2007: 99.6%; 1–9/2006: 98.7%) after three quarters of 2007. Before taking reinsurance into consideration, the combined ratio was 98.0% (1–9/2006: 96.1%). Adjusted for the storm damage from the 1st quarter of 2007 ("Kyrill"), the combined ratio for the 1st nine months of 2007 was 98.8% after reinsurance and 94.9% before reinsurance.

Life insurance

Consistent with the decline in the single premium business, the life insurance benefits fell during the reporting period by 15.1% to €1,113 million.

Health insurance

Insurance benefits, including the change to the actuarial provision in health insurance, rose in the first nine months of 2007 by 2.6% to €609 million.

Group cost ratio at 22.2%

Total operating expenses for the insurance business, including reinsurance commissions received, rose in the first nine months of 2007 by 11.1% to €777 million. This increase was largely influenced by the positive development of new business, in particular, by the increased business volume of the Eastern European Group companies and the strong growth of unit-linked life insurance in Austria. In addition, this also includes the costs for the ongoing dynamisation projects for enhancing organic growth in Eastern Europe, within the framework of the profit improvement programme.

Acquisition expenses rose here by 14.8% to €585 million and continue to be influenced, in line with the development of new business, by considerably lower relief, amounting to €27 million from the change of deferred acquisition costs, than in the previous year. Other operating expenses rose only marginally by 1.1%, amounting to €193 million at the end of the 3rd quarter of 2007.

The cost ratio, i.e. the relationship of total operating expenses to the Group premiums earned, including the savings portion of the premiums from unit- and index-linked life insurance – including the reinsurance commissions received – stood at 22.2% (1–9/2006: 20.6 %) after three quarters. Excluding the change in deferred acquisition costs, the cost ratio stood at 22.8% (1–9/2006: 22.0%).

Property and casualty insurance

Total operating expenses in property and casualty insurance increased in the reporting period by 8.1% to €446 million. Acquisition costs increased by 9.2% to €330 million. Other operating expenses rose marginally compared to premium growth by 5.1% to €116 million.

The cost ratio in property and casualty insurance was, therefore, 32.4% (1–9/2006: 32.3%) after the first nine months of 2007, including the reinsurance commissions received.

Life insurance

In life insurance, total operating expenses rose in the first three quarters of 2007 by 24.1% to €236 million. Acquisition costs increased by 31.6% to €192 million. This rise in acquisition expenses can be traced to ongoing satisfactory new business. The 3rd quarter of 2007 also witnessed increased expenses from the change in deferred acquisition costs to the value of €26 million, in line with the development of new business. Adjusted for the effect of the change in deferred acquisition costs, acquisition expenses increased by 11.4%. Other operating expenses fell by 0.4% to €44 million. Reinsurance commissions received decreased by €4 million to €7 million.

Including the reinsurance commissions received, the cost ratio in life insurance was 16.3% (1–9/2006: 13.0%) during the reporting period. Excluding the change in deferred acquisition costs, the cost ratio stood at 16.4% (1–9/2006: 15.0%).

Health insurance

Total operating expenses decreased in the first nine months of 2007 by 1.7% to €96 million. Acquisition costs increased by 2.7% to €63 million. Other operating expenses (including reinsurance commissions received) fell by a sharp 9.2% to €33 million.

The cost ratio of health insurance after three quarters of 2007 was 14.1% (1–9/2006: 14.7%).

Investments grew by 7.6%

As at 30 September 2007, the UNIQA Group was able to increase capital investments (incl. land and buildings used by the Group, real estate held as financial investments, shares in associated companies and the investments of unit- and index-linked life insurance) in comparison with the same point of time in 2006 by 7.6% or €1,554 million, to a total of €21,943 million.

Net investment income grew in the first nine months of 2007 by 17.1% to €747 million. The capital investment results for the reporting period included the effects of the capital increase of STRABAG SE in the 3rd quarter of 2007, and the disposal of shares in this company to the value of around €145 million.

The "sub-prime crisis" on the US mortgage market and the subsequent liquidity crisis in the market for Asset Backed Securities (ABS) led, in combination with downgradings of such structures by the ratings agencies, to falls in value in this investment category. The lack of liquidity in the ABS market partially resulted in valuations ("mark-to-market") that are significantly below the values based on a "mark-to-model" approach, which takes the actual financial fundamentals of investments into consideration. Regardless of this, UNIQA has based its valuations on the current lower market values. Substantial real

falls in the ABS portfolio have not occurred to date. The negative development of the ABS portfolio wiped about €35 million off the result for the first nine months of 2007.

Further downgradings by ratings agencies since the end of September have led to additional strains being placed on ABS investments. On the basis of conservative valuations, UNIQA currently expects additional downside of between €20 and €30 million, assuming the capital market remains unchanged until year-end. Valuations based on a "held-to-maturity" approach would lead to a significantly lower downside. Falls in value below the redemption value at the end of the term are only considered, in this case, to the level of the actual losses.

Profit on ordinary activities at €280 million after nine months of 2007

The UNIQA Group was able to increase its profit on ordinary activities in the first nine months of 2007 compared to the same period of the previous year by a substantial 46.3% to €280 million, also due to the special influences of the participation in STRABAG SE. The operating profit of the Group after three quarters of 2007 was €308 million, corresponding to 46.7% above the previous year's value. The Group consolidated profit thus rose by 55.8% to €194 million. The earnings per share were €1.63.

Own funds and total assets

The total equity of the UNIQA Group increased in the first three quarters of 2007 by 14.2% or €189 million to €1,518 million compared to the last balance sheet date (31.12.2006: €1,330 million). This included minority interests amounting to €205 million (31.12.2006: €207 million). The total assets of the Group as at 30 September 2007, were €25,552 million (31.12.2006: €24,587 million).

Cash flow

The cash flow from operating activities fell in the first nine months of 2007, mainly due to the reduction in the single premium business, to €824 million (1-9/2006: €1,173 million). Cash flow from investing activities of the UNIQA Group, corresponding to the investment of revenue inflow during the reporting period, amounted to €-865 million (1-9/2006: €-1,064 million). The financing cash flow increased through the issuance of subordinate capital in the amount of €100 million to €52 million (1-9/2006: €-44 million). In total, the amount of liquid funds changed by €11 million (1-9/2006: €66 million).

Employees

Due to a clear increase in the number of sales staff in the Group's Eastern European companies (mainly due to the consolidation of the Serbian Group companies), the average number of employees at the UNIQA Group after the first three quarters of 2007 rose to 11,299 (1-9/2006: 9,961).

International companies

The premium volume written (incl. the savings portion of premiums from unit- and index-linked life insurance) outside Austria increased by 3.5% in the first three quarters of 2007 to €1,251 million. Whilst the business volume in Western Europe fell by 9.5% to €672 million, as a result of special effects in single premium life insurance in Italy, growth in Eastern and south-eastern Europe remained very strong in the 3rd quarter of 2007. Premium income in these regions increased by 24.1% to €579 million. The level of internationalisation after nine months of 2007 was, therefore, at 31.8% (1-9/2006: 31.8%). The share of Eastern Europe reached 14.7% (1-9/2006: 12.3%), the share of Western Europe declined to 17.1% (1-9/2006: 19.5%). The total insurance benefits in the international Group companies decreased in the first three quarters of 2007 by 8.6% to €636 million.

Capital market and UNIQA shares

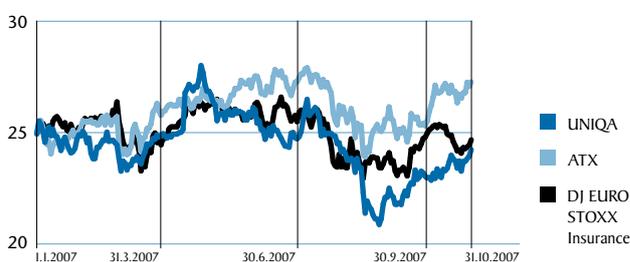
The 3rd quarter of 2007 was marked by the losses in price that occurred on all major stock markets between mid-July and mid-August. These losses were primarily due to a marked fall in the risk appetite of private and institutional investors following the crisis in the US mortgage market ("sub-prime crisis"). In reaction to the turbulence on the international finance markets, the US

Federal Reserve reduced its prime lending rate, whilst the European Central Bank cancelled its expected interest rate increase for September. The stock markets reacted to this with sharp price rises – despite higher oil prices and somewhat unfavourable economic data. The DOW JONES INDUSTRIAL index was thus more than able to make up the losses suffered thanks to the sharp drop in interest rates, and finished the 3rd quarter with a rise of 3.6%. In the first three quarters, the DOW JONES INDUSTRIAL posted an overall rise of 11.5%, thereby exceeding the growth of the European stock market (DJ EURO STOXX 50: +6.4%) and the Japanese stock market (NIKKEI 225: -2.6%). As at end September 2007, neither the DJ EURO STOXX 50 (-2.4%) nor the NIKKEI 225 (-7.5%) had regained the index levels reached at the end of the first half. The Emerging Markets, on the other hand, achieved powerful, double-digit price increases. The Eastern European CECE index also experienced growth of 10.8% in the first three quarters of the current year. The sharp fall in the summer months was almost completely recouped by the end of the quarter (-1.4%).

The "sub-prime crisis" did not stop at the Austrian stock market either. After the Vienna Stock Exchange index ATX closed at a new all-time high of 4,981.87 points on 9 July 2007, the index subsequently fell sharply, in step with other markets around the world. Consequently, the ATX was not able to reach its first-half level by the end of September (-7.0%), although at 4,527.30 points, it was 1.4% higher than the end of 2006 level. The UNIQA share was also unable to escape global events in the last quarter. Whilst the share price was still at €24.92 at the end of the first half, it fell back to €21.10 in July and August. The share price subsequently rose again to reach €23.22 on 30 September 2007 (-6.8%). The DJ EURO STOXX Insurance index lost 3.7% in the same period. The recovery of the UNIQA share continued in October, to reach a price of €24.40 on the last day of the month. No treasury shares were sold within the framework of the resale programme.

Development of UNIQA shares

in €



Outlook

Preview 2007

A further positive effect on the result arising from the shareholding in STRABAG SE is expected in the 4th quarter of 2007. The additional income will be used to reinforce the reserves and expand the market position in Eastern Europe by taking investment measures in organic growth. Assuming stable capital markets and the absence of extraordinary loss events, the forecast for the profit on ordinary activities for 2007 will be raised from €320 to €340 million.

Consolidated Balance Sheet

Assets	30.9.2007 € million	31.12.2006 € million
A. Tangible assets		
I. Self-used land and buildings	230	234
II. Other tangible assets	124	111
	354	345
B. Land and buildings held as financial investments	994	927
C. Intangible assets		
I. Deferred acquisition costs	875	863
II. Goodwill	298	253
III. Other intangible assets	39	47
	1,212	1,164
D. Shares in associated companies	534	372
E. Investments		
I. Variable-yield securities		
1. Available for sale	3,898	3,462
2. At fair value through profit or loss	986	1,025
	4,884	4,488
II. Fixed interest securities		
1. Held to maturity	0	0
2. Available for sale	10,104	10,635
3. At fair value through profit or loss	504	509
	10,608	11,143
III. Loans and other investments		
1. Loans	990	1,034
2. Cash at credit institutions	1,172	802
3. Deposits with ceding companies	116	106
	2,278	1,942
IV. Derivative financial instruments	90	96
	17,859	17,669
F. Investments held on account and at risk of life insurance policyholders	2,326	1,953
G. Share of reinsurance in technical provisions	799	741
H. Share of reinsurance in technical provisions for life insurance policies where the investment risk is borne by policyholders	329	306
I. Receivables including receivables under insurance business	736	708
J. Receivables from income tax	46	54
K. Deferred tax assets	82	85
L. Liquid funds	281	263
Total assets	25,552	24,587

Equity and liabilities	30.9.2007 € million	31.12.2006 € million
A. Total equity		
I. Shareholders' equity		
1. Subscribed capital and capital reserves	206	206
2. Revenue reserves	714	692
3. Revaluation reserves	216	182
4. Group total profit	176	42
	1,313	1,122
II. Minority interests in shareholders' equity	205	207
	1,518	1,330
B. Subordinated liabilities	575	475
C. Technical provisions		
I. Provision for unearned premiums	497	390
II. Actuarial provision	15,181	14,942
III. Provision for outstanding claims	2,102	2,023
IV. Provision for profit-unrelated premium refunds	42	48
V. Provision for profit-related premium refunds, i.e. policyholder profit sharing	489	753
VI. Other technical provisions	39	43
	18,351	18,199
D. Technical provisions for life insurance policies held on account and at risk of policyholders	2,302	1,912
E. Financial liabilities	188	195
F. Other provisions	737	722
G. Payables and other liabilities	1,510	1,388
H. Liabilities from income tax	26	67
I. Deferred tax liabilities	346	300
Total equity and liabilities	25,552	24,587

Consolidated Income Statement

	Group notes	1-9/2007 € million	1-9/2006 € million	7-9/2007 € million	7-9/2006 € million
Premiums written (gross)		3,434	3,450	1,044	1,012
Premiums earned (retained)		3,040	3,082	1,005	971
Income from fees and provisions		54	55	17	14
Net investment income	1	747	638	292	200
Other income		43	40	15	15
Total income		3,884	3,815	1,329	1,200
Insurance benefits (net)		-2,645	-2,753	-873	-835
Operating expenses		-832	-755	-263	-245
Other expenses		-86	-93	-28	-35
Amortisation of goodwill		-13	-5	-10	0
Total expenses		-3,576	-3,605	-1,174	-1,114
Operating profit		308	210	154	86
Financing costs		-28	-19	-10	-6
Profit on ordinary activities		280	191	144	79
Income taxes		-66	-44	-43	-19
Net profit		214	147	101	60
of which consolidated profit		194	125	89	58
of which minority interests		20	23	12	2
Earnings per share (€)		1.63	1.04	0.75	0.49
Average number of shares in circulation		119,427,808	119,427,808	119,427,808	119,427,808

The diluted earnings per share are equal to the undiluted earnings per share.

Development of Group Equity

	Equity		Minority interests		Total equity	
	1-9/2007 € million	1-9/2006 € million	1-9/2007 € million	1-9/2006 € million	1-9/2007 € million	1-9/2006 € million
Situation as at 1.1.	1,122	930	207	203	1,330	1,134
Foreign currency translation	0	-6	0	0	0	-6
Dividends	-42	-31	-10	-10	-52	-41
Own shares	0	0	0	0	0	0
Net profit for the period	194	125	20	23	214	147
Unrealised capital gains and losses from investments and other changes	38	-85	-11	-14	26	-99
Situation as at 30.9.	1,313	933	205	202	1,518	1,135

Consolidated Cash Flow Statement

	1-9/2007 € million	1-9/2006 € million
Net profit including minority interests		
Net profit	214	147
of which interest and dividend payments	9	39
Minority interests	-20	-23
Change in technical provisions	460	939
Change in deferred acquisition costs	-12	-48
Change in amounts receivable and payable from direct insurance	12	47
Change in other amounts receivable and payable	38	174
Change in securities at fair value through profit or loss	51	-155
Realised gains/losses on the disposal of investments	-20	-73
Depreciation/appreciation of other investments	90	185
Change in provisions for pension and severance payments	-6	18
Change in deferred tax assets/liabilities	46	-16
Change in other balance sheet items	3	10
Change in goodwill and intangible assets	-36	-27
Other non-cash income and expenses, as well as accounting-period adjustments	4	-9
Net cash flow from operating activities	824	1,173
of which cash flow from income tax	-57	-84
Receipts due to disposal of consolidated companies and other business units	39	0
Payments due to acquisition of consolidated companies and other business units	-76	-118
Receipts due to disposal and maturity of other investments	8,809	6,832
Payments due to acquisition of other investments	-9,265	-7,527
Change in investments held on account and at risk of life insurance policyholders	-373	-251
Net cash flow used in investing activities	-865	-1,064
Change in investments on own shares	0	0
Dividend payments	-42	-31
Receipts and payments from other financing activities	93	-13
Net cash flow used in financing activities	52	-44
Change in cash and cash equivalents	11	66
Change in cash and cash equivalents due to foreign currency translation	0	0
Change in cash and cash equivalents due to acquisition/disposal of consolidated companies	6	1
Cash and cash equivalents as at 1.1.	263	192
Cash and cash equivalents as at 30.9.	281	259
of which cash flow from income tax	-57	-84

The cash and cash equivalents correspond to item L. of the assets:
Liquid funds.

Segment Balance Sheet

Classified by segment	Property and casualty		Life		Health	
	30.9.2007 € million	31.12.2006 € million	30.9.2007 € million	31.12.2006 € million	30.9.2007 € million	31.12.2006 € million
Assets						
Tangible assets	213	202	126	127	16	16
Land and buildings held as financial investments	345	334	469	412	180	181
Intangible assets	329	284	668	664	215	215
Shares in associated companies	433	271	81	81	20	20
Investments	2,911	2,708	13,163	13,295	1,963	1,878
Investments held on account and at risk of life insurance policyholders	0	0	2,326	1,953	0	0
Share of reinsurance in technical provisions	385	346	411	392	3	3
Share of reinsurance in technical provisions for life insurance policies where the investment risk is borne by policyholders	0	0	329	306	0	0
Receivables incl. receivables under insurance business	743	681	365	403	148	210
Receivables from income tax	18	27	25	26	3	1
Deferred tax assets	74	75	3	4	5	6
Liquid funds	84	96	179	152	17	16
Total segment assets	5,535	5,024	18,147	17,814	2,569	2,546
Equity and liabilities						
Subordinated liabilities	335	235	270	270	0	0
Technical provisions	2,444	2,250	13,603	13,726	2,309	2,223
Technical provisions for life insurance policies held on account and at risk of policyholders	0	0	2,302	1,912	0	0
Financial liabilities	168	185	44	52	0	0
Other provisions	684	682	44	32	8	8
Payables and other liabilities	827	833	1,278	1,152	47	125
Liabilities from income tax	14	43	2	14	10	10
Deferred tax liabilities	243	200	47	55	56	45
Total segment liabilities	4,714	4,429	17,591	17,212	2,430	2,412

The amounts indicated for each business segment have been adjusted to eliminate amounts resulting from segment-internal transactions. Therefore, the balance of segment assets and segment liabilities does not allow conclusions to be drawn with regard to the equity allocated to the respective segment.

	Consolidation		Group	
	30.9.2007 € million	31.12.2006 € million	30.9.2007 € million	31.12.2006 € million
	0	0	354	345
	0	0	994	927
	0	0	1,212	1,164
	0	0	534	372
	-178	-212	17,859	17,669
	0	0	2,326	1,953
	0	0	799	741
	0	0	329	306
	-520	-585	736	708
	0	0	46	54
	0	0	82	85
	0	0	281	263
	-698	-797	25,552	24,587
	-30	-30	575	475
	-5	0	18,351	18,199
	0	0	2,302	1,912
	-24	-43	188	195
	0	0	737	722
	-642	-723	1,510	1,388
	0	0	26	67
	0	0	346	300
	-701	-796	24,034	23,257
Equity and minority interests			1,518	1,330
Total equity and liabilities			25,552	24,587

Segment Income Statement

Classified by segment	Property and casualty		Life		Health		Consolidation		Group	
	1-9/2007 € million	1-9/2006 € million								
Gross premiums written	1,714	1,591	1,035	1,190	687	671	-2	-2	3,434	3,450
Premiums earned (retained)	1,376	1,277	981	1,140	681	664	1	0	3,040	3,082
Income from fees and provisions	51	45	7	11	0	0	-3	-1	54	55
Net investment income	224	99	417	455	107	84	-1	0	747	638
Other income	53	38	5	4	1	1	-15	-2	43	40
Insurance benefits	-926	-849	-1,113	-1,311	-609	-593	3	0	-2,645	-2,753
Operating expenses	-496	-462	-243	-201	-95	-98	2	7	-832	-755
Other expenses	-72	-57	-29	-28	-3	-4	17	-4	-86	-93
Amortisation of goodwill	-5	0	-8	-5	0	0	0	0	-13	-5
Operating profit	205	91	17	65	82	55	4	-1	308	210
Financing costs	-17	-8	-11	-10	0	0	0	0	-28	-19
Profit on ordinary activities	188	82	6	55	82	55	4	-1	280	191
Income taxes	-30	-20	-13	-10	-23	-14	0	0	-66	-44
Net profit	158	62	-7	45	59	41	4	-1	214	147
of which consolidated profit	154	54	-6	39	42	32	4	-1	194	125
of which minority interests	4	8	-1	6	17	9	0	0	20	23

Classified by region	Premiums earned (retained)		Net investments income		Insurance benefits		Operating expenses		Profit on ordinary activities	
	1-9/2007 € million	1-9/2006 € million	1-9/2007 € million	1-9/2006 € million	1-9/2007 € million	1-9/2006 € million	1-9/2007 € million	1-9/2006 € million	1-9/2007 € million	1-9/2006 € million
Austria	2,162	2,181	659	541	-2,011	-2,060	-512	-494	267	145
Other Europe	876	901	94	102	-637	-692	-401	-326	15	50
Western Europe	575	636	62	72	-454	-529	-231	-193	-13	19
Eastern Europe	301	265	32	30	-183	-163	-170	-132	28	32
Total before consolidation	3,039	3,081	753	643	-2,648	-2,753	-913	-820	282	195
Consolidation (based on geographic segments)	1	0	-6	-5	3	0	81	65	-2	-4
In the consolidated financial statements	3,040	3,082	747	638	-2,645	-2,753	-832	-755	280	191

Starting in the 2006 financial year, the presentation of the investment income and the profit on ordinary activities by region has been adjusted for the effects from the capital consolidation included in the investment income. The amounts from the previous period have been adjusted to correspond. Accordingly, the consolidation based on geographic segments comprises the expenses and income consolidation from operative business between Group companies.

Group Notes

Accounting regulations

As a publicly listed company, UNIQA Versicherungen AG is obligated to prepare its consolidated financial statements according to internationally accepted accounting principles. These consolidated interim financial statements for the period ending 30 September 2007, have been prepared in accordance with the International Financial Reporting Standards (IFRS) and the International Accounting Standards (IAS), in the versions applicable to this reporting period. No early application of modified standards was performed. The accounting and valuation principles and consolidation methods are the same as those applied in the preparation of the consolidated financial statements for the 2006 business year. For creation of these consolidated interim financial statements, according to IAS 34.41, estimates are used to a greater extent than as in the annual financial statements.

Scope of consolidation

In addition to the interim financial statement of UNIQA Versicherungen AG, the Group interim financial statements include the interim financial statements of all subsidiaries at home and abroad. A total of 51 affiliated companies did not form part of the scope of consolidation. They were of only minor significance, even if taken together, for the presentation of a true and fair view of the Group's assets, financial position and income. The scope of consolidation, therefore, contains – in addition to the UNIQA Versicherungen AG – 33 domestic and 59 foreign subsidiaries in which UNIQA Versicherungen AG held the majority voting rights.

The scope of consolidation was extended in the reporting period by the following companies:

	Date of initial inclusion	Net profit € million ¹⁾	Acquired shares %	Acquisition costs € million	Goodwill € million
Zepter Osiguranje A.D., Podgorica	1.1.2007	0.0	99.4	0.0	0.0
UNIQA neživotno osiguranje a.d.o., Belgrade	1.4.2007	-0.6	100.0	5.0	0.0
UNIQA Real Estate Inlandsholding GmbH, Vienna	1.7.2007	0.0	100.0	0.0	0.0
UNIQA Real Estate Dritte Beteiligungsverwaltung GmbH, Vienna	1.7.2007	0.0	100.0	0.0	0.0
UNIQA Real Estate Vierte Beteiligungsverwaltung GmbH, Vienna	1.7.2007	0.0	100.0	0.0	0.0
UNIQA Real Estate Bulgaria EOOD, Sofia	1.7.2007	0.0	100.0	0.0	0.0
UNIQA Real Estate BH nekretnine, d.o.o., Sarajevo	1.7.2007	0.0	100.0	0.0	0.0
IPM International Property Management Kft., Budapest	1.7.2007	-0.2	100.0	13.6	0.0
UNIQA Real Estate Polska Sp.z.o.o., Warsaw	1.7.2007	0.0	100.0	0.0	0.0
UNIQA Real III, spol.s.r.o., Bratislava	1.7.2007	-0.1	100.0	0.0	0.0

¹⁾ Net profit for the period included in the consolidated statements.

Foreign currency translation

The reporting currency of UNIQA Versicherungen AG is the euro. All financial statements of foreign subsidiaries which are not reported in euros are converted, at the rate on the balance sheet closing date, according to the following guidelines:

- Assets, liabilities and transition of the net profit/deficit for the period at the middle rate on the balance sheet closing date,
- Income statement at the average exchange rate for the period,
- Equity capital (except for net profit/deficit for the period) at the historic exchange rate.

Resulting exchange rate differences are set off against the shareholders' equity without affecting income.

The most important exchange rates are summarised in the following table:

€ rates on balance sheet closing date	30.9.2007	31.12.2006
Swiss franc CHF	1.6601	1.6069
Slovakian koruna SKK	33.8770	34.4350
Czech koruna CZK	27.5320	27.4850
Hungarian forint HUF	250.6900	251.7700
Croatian kuna HRK	7.2773	7.3504
Polish zloty PLN	3.7730	3.8310
Bosnia and Herzegovina convertible mark BAM	1.9620	1.9581
Romanian leu (new) RON	3.3440	3.3840
Bulgarian lev (new) BGN	1.9558	1.9558
Ukrainian hrywnja UAH	7.1691	6.6631
Serbian dinar RSD	79.3085	79.8438

Notes to the consolidated income statement

1 | Net investment income

	Property and casualty insurance		Life insurance		Health insurance		Group total	
	1-9/2007 € million	1-9/2006 € million	1-9/2007 € million	1-9/2006 € million	1-9/2007 € million	1-9/2006 € million	1-9/2007 € million	1-9/2006 € million
I. Properties held as financial investments	4	-4	5	5	6	5	16	6
II. Shares in associated companies	138	23	0	9	48	0	186	32
III. Variable-yield securities	45	51	141	198	15	38	201	287
1. Available for sale	41	48	107	165	13	35	161	248
2. Reported in the income statement	3	3	34	33	2	3	40	39
IV. Fixed interest securities	22	23	180	175	14	24	216	222
1. Held to maturity	0	0	0	0	0	0	0	0
2. Available for sale	22	24	174	168	14	23	209	215
3. Reported in the income statement	0	0	6	7	1	1	7	7
V. Loans and other investments	16	12	11	22	12	15	39	49
1. Loans	7	10	8	11	10	12	26	33
2. Other investments	8	2	3	11	2	3	14	16
VI. Derivative financial instruments	9	4	91	47	9	3	109	55
VII. Expenditures for asset management, interest expenditures and other	-14	-8	-5	-2	-1	-2	-21	-13
Total (fully consolidated values)	219	102	424	454	104	83	747	638

	Ordinary income		Appreciation and unrealised capital gains		Realised capital gains		Depreciation and unrealised capital losses	
	1-9/2007 € million	1-9/2006 € million	1-9/2007 € million	1-9/2006 € million	1-9/2007 € million	1-9/2006 € million	1-9/2007 € million	1-9/2006 € million
I. Properties held as financial investments	37	31	0	0	0	2	-21	-26
II. Shares in associated companies	37	32	137	0	12	0	0	0
III. Variable-yield securities	91	104	86	21	215	229	-131	-55
1. Available for sale	76	80	4	0	196	207	-62	-33
2. Reported in the income statement	15	24	82	21	19	22	-69	-22
IV. Fixed interest securities	364	308	94	0	37	28	-236	-71
1. Held to maturity	0	0	0	0	0	0	0	0
2. Available for sale	356	296	87	0	34	28	-227	-67
3. Reported in the income statement	8	12	8	0	3	0	-8	-4
V. Loans and other investments	46	52	1	0	0	0	-8	-3
1. Loans	29	36	1	0	0	0	-4	-3
2. Other investments	18	16	0	0	0	0	-4	0
VI. Derivative financial instruments	-11	-23	106	32	93	116	-67	-21
VII. Expenditures for asset management, interest expenditures and other	-21	-13	0	0	0	0	0	0
Total (fully consolidated values)	543	491	425	53	357	374	-463	-177

The depreciation and unrealised capital losses of €463 million include expenses from currency fluctuations to the value of €151 million. These expenses from currency fluctuations are offset by income from currency hedging amounting to €128 million, which is posted as income from derivative financial instruments.

Realised capital losses		Group total		Of which adjustment of impairments	
1-9/2007 € million	1-9/2006 € million	1-9/2007 € million	1-9/2006 € million	1-9/2007 € million	1-9/2006 € million
0	-1	16	6	0	-9
0	0	186	32	0	0
-61	-12	201	287	-27	-10
-53	-6	161	248	-27	-10
-8	-6	40	39	0	0
-43	-42	216	222	-48	-27
0	0	0	0	0	0
-40	-42	209	215	-48	-27
-3	0	7	7	0	0
0	0	39	49	0	0
0	0	26	33	0	0
0	0	14	16	0	0
-12	-49	109	55	0	0
0	0	-21	-13	0	0
-116	-104	747	638	-75	-45

Other disclosures

Employees

Average number of employees	1-9/2007	1-9/2006
Total	11,299	9,961
of which business development	4,442	3,482
of which administration	6,857	6,479

These consolidated quarterly financial statements were neither audited nor reviewed by an auditor.

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